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Report of the Joint Inspection Unit entitled, "Review of Management and Administration in the Office of the United Nations High Commissioner for Refugees"

Report of the Secretary-General

Addendum

Summary

The present report is submitted to the General Assembly in accordance with article 11.4 (d) of the statute of the Joint Inspection Unit (JIU). It contains the comments of the Secretary-General on the report of the JIU entitled, "Review of Management and Administration in the Office of the United Nations High Commissioner for Refugees". The report illustrates the general agreement of UNHCR with most of the findings and recommendations of the JIU and the intention of the High Commissioner to consider and take into account the findings of the JIU study during the current review by UNHCR, aimed at rationalizing and streamlining management processes, as well as related deliberations of the UNHCR Executive Committee on some points raised by the JIU.

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I. Introduction

1. The report of the Joint Inspection Unit (JIU) (see A/59/394) contains 15 recommendations dealing with an array of managerial and administrative issues. The United Nations High Commissioner for Refugees (UNHCR) welcomes the report and believes its findings are very insightful and of high quality. Some of the recommendations of the JIU, in fact, coincide with managerial initiatives already being acted upon by UNHCR. Only in a very few cases does senior management have reservations about implementing the recommendations contained in the JIU report, on the grounds that they could have unintended consequences for other elements of the UNHCR management system. The High Commissioner has asked the Deputy High Commissioner to lead a headquarters review to develop reforms with the objective of rationalizing and streamlining management processes. The recommendations of the JIU report will be carefully considered during that review.

II. General comments

2. UNHCR regrets that the JIU report does not acknowledge the process and outcome of its 2004 initiative, i.e., the conclusion adopted by the Executive Committee in October 2003, the report of the High Commissioner to the General Assembly and its subsequent resolution adopted in November 2003. While the report does reference the High Commissioner's report and quotes the General Assembly resolution, no recognition is given to the fact that the UNHCR 2004 process was an exercise in defining a long-term strategy for the Office ("to determine how UNHCR could be better positioned to meet new challenges which have affected its capacity to carry out its mandate") in close cooperation with States and other stakeholders. The High Commissioner's report, in particular, contains recommendations, some of which were endorsed by the Executive Committee and the General Assembly, that give guidance to how the organization will evolve over the next several years. A number of key processes and functions are absent from the JIU report, e.g., Emergency and Security Service, fund-raising and governance. In particular, with regard to paragraph A of the Executive Summary, the description of the organizational or management culture of the organization could be clarified. As far as operations are concerned, the paper extrapolates from a small research base and certain key sections should have been consulted to arrive at a fuller picture. The operational recommendations (12-15) in particular do not represent the range of UNHCR activities (why protracted situations and not emergencies, for example). Similarly, certain conclusions are being drawn from the experience of one field mission (United Republic of Tanzania), and the perspective of one agency (World Food Programme), e.g., on the purposes of registration (Project Profile).

3. UNHCR recognizes and agrees with the need for strong links between the Donor Relations and Resource Mobilization Service and the Division of Financial and Supply Management in order to ensure synchronization of expenditures and obligations with the level of income and projections. This cooperation is already taking place on a regular basis and should be further strengthened with the implementation of the Management Systems Renewal Process. It should be noted that the work of the Donor Relations and Resource Mobilization Service also has a very strong external affairs and communication component, which needs to be coordinated with the other services of the Division of Communication and

Information, i.e., the Secretariat and Inter-Organization Service, the Non-Governmental Organization Unit, the Private Sector and Public Affairs Service and the Public Information Unit (see A/59/394, para. 12).

4. With the changes introduced in 2003 (new Appointments, Postings and Promotions Board (APPB) Guidelines), the Office has effectively addressed the key issues of the issuance of indefinite contracts, the rotation framework and promotions. Furthermore, UNHCR introduced the International Professional Roster as a tool to enhance the recruitment of highly qualified candidates, especially for posts where the Office has difficulties in identifying suitable internal candidates. The APPB is indeed using the "second tier" alternative only on an exceptional basis. The new rotation framework as enshrined in the APPB Guidelines spells out very clearly that staff who have served for six consecutive years in hardship duty stations must be posted to a duty station in the H to C categories (see A/59/394, paras. 25-28).

III. Recommendations

5. **Recommendation 1. The Executive Committee may wish to recommend to the United Nations General Assembly that it:**

(a) **Authorize the creation of another Deputy High Commissioner post by converting the existing Assistant High Commissioner post, thus the Office of the High Commissioner will have two Deputies — one in charge of Programme/Operations and the other in charge of Administration/Management; it being understood that this measure will have no financial implications; and**

(b) **Amend chapter III, paragraph 14, of the statute of the Office of the High Commissioner accordingly.**

6. UNHCR does not support the recommendation. The High Commissioner has already formulated a proposal to establish a post of Assistant High Commissioner for Protection, focusing on advocacy with States on protection and durable solutions and to assist them in these endeavours. The new Assistant Secretary-General position would be in addition to the post of Assistant High Commissioner for Operations, which focuses on protection-related assistance. The High Commissioner also believes strongly that there are organizational benefits to having only one Deputy, as foreseen by the statute.

7. UNHCR has consulted similar agencies and it is convinced that a "double deputy structure" will result in an ambiguous chain of command and make it difficult to establish clear lines of accountability at the senior level of management. The High Commissioner aims to create a unified and efficient management structure. In that regard, UNHCR presented to its Executive Committee in October 2004 a senior management structure consisting of one Deputy High Commissioner and two Assistant High Commissioners, namely, the Assistant High Commissioner (Operations) and the Assistant High Commissioner (Protection). The members of the Executive Committee have requested that this proposal be further discussed at the March 2005 Standing Committee Meeting following an independent review of senior management structure of UNHCR.

8. Careful consideration should be given to the proposal for amending UNHCR's statute, as this risks opening discussion on other aspects of the statute that may not be in the best interest of the organization. Several members of the UNHCR

Executive Committee also cautioned against such a move during the October meeting of the Committee. Having regard to the observations and comments of the Standing Committee and the Advisory Committee on Administrative and Budgetary Questions (ACABQ) on the JIU recommendation, the Committee has requested the Bureau to organize further consultations on the subject. UNHCR has been commissioned, as part of its 2004 follow-up process, to make available in good time a report of a full and independent review of its senior management structure that encompasses the issues raised by the ACABQ and the Standing Committee and any relevant results of the current headquarters process review. The proposal will be revisited at the meeting of the Standing Committee scheduled for the first quarter of 2005.

9. **Recommendation 2. The High Commissioner should present for comment to the Executive Committee a streamlined and rationalized structure of the secretariat by, inter alia, consolidating fragmented functions, and relocating some organizational units, on the basis of a uniform organizational nomenclature to be established by taking into account relevant Secretary-General's Bulletins.**

10. UNHCR accepts the recommendation. It is in line with the findings of Action 2 as contained in the Action 1-3 Report. The Office organigram is regularly included for the Committee's information within the annual budget proposal. The High Commissioner agrees to re-examine the structure of the agency with the intention of rationalizing functions and finding efficiencies. In compliance with Secretary-General's Bulletin ST/SGB/1998/9, the High Commissioner will report any administrative changes to the Secretary-General.

11. **Recommendation 3. The Executive Committee, at its 55th session, should consider modifying the programme budget cycle from annual to biennial, in alignment with the United Nations regular budget cycle, in view of a number of positive results expected from the shift.**

12. The Executive Committee discussed the issue at its October 2004 meeting and decided that it should be subject to further consideration by the Standing Committee in the course of 2005 based on further analysis by UNHCR, with a view to reaching a decision on the matter no later than the 56th session of the Executive Committee.

13. **Recommendation 4. To further enhance the results-based approach to planning, programming, budgeting, monitoring and evaluation, the High Commissioner should:**

(a) **Apply, as appropriate, the United Nations logical framework to the UNHCR budget;**

(b) **Integrate the management systems renewal project (MSRP) into the results-based management (RBM) process; and**

(c) **Incorporate evaluation findings and recommendations into planning, programming, budgeting and monitoring, in addition to enhancing real-time (as opposed to ex-post) evaluation during an operation's process to achieve the specific objectives (expected results).**

14. The JIU recommendation is noted. UNHCR has for some time now adopted results-based management and introduced the Logical Framework in its planning and programming process. Efforts are under way to further consolidate RBM

implementation and the use of standards and indicators. UNHCR intends to integrate RBM to the greatest extent possible, with or within the MSRP PeopleSoft Enterprise Resource Planning (ERP) system. A task force has been established to support the expedited integration of RBM with the developing information technology systems. UNHCR is strengthening its real-time evaluation capacity and developing more effective means of ensuring that recommendations of evaluation reports are incorporated into planning and programming processes.

15. **Recommendation 5. The High Commissioner should submit a long-term strategic framework for consideration by the Executive Committee. The framework should contain the guiding principles, the organizational priorities and strategic goals, and link them to activities, indicators of achievement, and target dates for completion. Operational partners should be engaged in drawing up the strategic framework to achieve a comprehensive approach in guiding the work of the organization.**

16. Work began on developing a long-term strategic framework in 2001, which helped establish global objectives for the organization. UNHCR continues to be engaged in further refining the work already done in this area, which is an area of focus for the headquarters review led by the Deputy High Commissioner.

17. **Recommendation 6. The High Commissioner should combine the programme planning and coordination functions of the Programme Coordination and Operations Support Section currently in the Division of Operational Support into the Budget Section in the Division of Financial and Supply Management.**

18. The headquarters review is carefully assessing this issue as part of its review of resource allocation processes at headquarters.

19. **Recommendation 7. With a view to strengthening information management, the High Commissioner should take the following measures:**

(a) **Preparation of a comprehensive information (and knowledge) management (including information and communication technology (ICT)) strategy;**

(b) **Integration of modules supporting RBM in the context of developing MSRP, as well as designing an interface between MSRP and Project Profile to feed registration-related information in the planning, budgeting, and monitoring processes;**

(c) **Structural consolidation of ICT-related functions into a centralized organizational entity (which is responsible for information management);**

(d) **Designation or appointment of a senior official as Chief Information Officer (as the head of the organizational entity in (c) above) with the following organization-wide responsibilities:**

(i) **Keep the organization's information management strategy and ICT in alignment with its corporate plan and priorities;**

(ii) **Ensure that the information management policies and standards are strictly followed and the ICT infrastructure is well managed;**

(iii) **Ensure that key decision makers on both substantive and administrative matters have accurate and timely information;**

(iv) **Faciiitate developing and maintaining a culture for improving information (and knowledge) management in the organization by exploring new technological possibilities as required.**

20. The High Commissioner took a number of important steps in mid-2004 to provide a stronger information technology management structure. In June the Deputy High Commissioner informed the Standing Committee of initiatives being taken for better information technology management, including the creation of the new Division to be headed by a Chief Information Officer. The newly appointed Chief Information Officer is currently preparing a comprehensive information technology strategy. The Chief Information Officer is charged with the organizational responsibilities suggested under (d) above. The Chief Information Officer is currently working closely with proposals related to Project Profile and the RBM task force to ensure enhanced technical support. As already indicated earlier in this response, the implementation of Results Based Management/Results-based Budget support functionalities into the MSRP (or a separate but related project) is a much-needed correction.

21. **Recommendation 8. The High Commissioner should:**

(a) **Request the Division of Human Resources Management to prepare a comprehensive strategic corporate policy on Human Resources Management to be submitted to the Executive Committee for its review at its 56th session, in addition to enforcing existing rules and guidelines and monitoring their implementation pending the establishment of the corporate policy; and**

(b) **Submit an annual report to the Executive Committee on the composition of the Secretariat, which should include, inter alia, statistics on geographical diversity (distribution), movements of staff across duty stations, staff-in-between-assignments and exceptions.**

22. UNHCR considers this to be a very positive recommendation and concurs with it. The development of a comprehensive Workforce Management Strategy is a key element of the headquarters review. UNHCR provides the Executive Committee with a comprehensive list of staff by nationality and according to their current duty station on an annual basis.

23. **Recommendation 9. The High Commissioner should strengthen the role of the Oversight Committee by:**

(a) **Ensuring the Committee's compliance with the provisions contained in its current terms of reference, in particular, with respect to the coordination of oversight functions (audit, investigation, inspection, and evaluation);**

(b) **Reinforcing the terms of reference by adding provisions on the need:**

(i) **To take specific decisions on all oversight recommendations addressed to the High Commissioner;**

(ii) **To monitor the implementation of all recommendations accepted by the High Commissioner and those approved by the Executive Committee; and**

(iii) **To improve the annual oversight report by focusing on the main findings and recommendations, and by providing information, inter alia, on the impact of recommendations implemented, as well as lessons learned and best practices;**

(c) **Streamlining/limiting the membership of the Committee to enhance the efficiency of its work.**

24. This is a positive and useful recommendation. UNHCR has already taken steps to overhaul and strengthen the Oversight Committee. However, the evaluation function, which is a collective learning process, is not represented on the Committee as a member.

25. **Recommendation 10. The Executive Committee may wish to approve the following:**

(a) **The Inspector General position should be a non-career position serving a five-year non-renewable term at the D-2 level, and be appointed by the High Commissioner after consultation with the Executive Committee, and subject to dismissal by the High Commissioner only for cause, following similar consultations with the Executive Committee;**

(b) **The Inspector General should submit individual reports to the High Commissioner, but, at the request of the Inspector General, any such report shall be submitted to the Executive Committee together with the High Commissioner's comments thereon;**

(c) **Clarification should be sought on the functional relationship between the Inspector General's Office and the United Nations Office of Internal Oversight Services with respect to the investigation function.**

26. There is a good practice in place whereby the Inspector General post is filled by a staff member who will retire thereafter. The UNHCR Executive Committee has included the issue of the independence of the Inspector General under the Standing Committee's work plan for 2005. The High Commissioner is not obliged to consult the Executive Committee on the appointment or dismissal of an Inspector General. This infers a role for the Executive Committee that it does not have. This recommendation (10 (b)) is contrary to agreed parameters for the functioning and reporting of the Inspector General's Office and the role of the Executive Committee. Reports produced by the Inspector General are not shared with the Executive Committee. The functional relationship between the Inspector General's Office and the Office of Internal Oversight Services needs to be enhanced through a process to harmonize legal standards. This would involve the General Assembly. Currently, referrals are made to the Office of Internal Oversight Services by the Inspector General's Office for those cases where it is felt that the Office of Internal Oversight Services has a particular expertise or where there are other considerations which would warrant referral in addition to the provisions of UNHCR's policy document.

27. **Recommendation 11. The High Commissioner should eliminate the rotation requirements for the staff involved in investigation, inspection and evaluation.**

28. The issue of the rotation requirements for staff involved in investigation, inspection and evaluation is one that UNHCR will need to consider in more detail before a blanket waiver can be given to all staff working in the Inspector General's

Office. There is a strong argument to be made that inspectors of field operations should be experienced field managers. This can only be assured if candidates for inspectors benefited from rotations to field posts. The non-rotation recommendation may apply to investigation, but should not apply to evaluation or inspection.

29. **Recommendation 12. In order to further rationalize UNHCR representation at the field level and to attract qualified staff in hardship duty stations, the High Commissioner should:**

(a) **Build on previous internal reviews made on office size and staffing parameters and translate them into a management tool which correlates the refugee caseload and operational budget with office size and staff structure. Such a tool should be used by management at headquarters and in the field to ensure the rationalization of office structures, to allow for comparative analysis and to facilitate the review of country operations plans;**

(b) **Review current living conditions in hardship duty stations and establish, upon consultations with the Office of the United Nations Security Coordinator and other United Nations agencies operating in the area (especially the World Food Programme and the United Nations Children's Fund), the criteria to be used for attributing the status of special operations areas as envisaged in the IOM/FOM/012/2004 (inter-office memorandum/field office memorandum).**

30. UNHCR concurs with the recommendation. With regard to paragraph 12 (a), UNHCR considers it to be positive and therefore it is under further consideration by the headquarters review group in its work on resource allocation processes. While such tools can enhance the resource allocation process, there are drawbacks to making the budget and the cost of the operations the main criterion for evaluating the size of staff in particular operations or country offices. In relation to protection activities, the budget could turn out not to be a correct indicator of the importance of activities or of presence of staff.

31. Recommendation 12 (b) is a positive one, and points towards ongoing developmental work needed within the organization. There remains, however, considerable work to be done if such a tool is to be developed and used in prioritization and resource allocation. In particular, there is a need to examine issues of centralization and decentralization of field level operations. Most of the work done on centralization and decentralization within UNHCR has concentrated on the relationship between headquarters and branch offices. The relationship between branch offices and sub-field offices remains largely unstudied. It should be noted that in line with this recommendation, UNHCR has for the last two years endeavoured to field the Office of the United Nations Security Coordinator and the Joint Medical Service missions in order to make an informed decision on the administrative status of the offices in relation to the available services.

32. **Recommendation 13. Based on the situation prevailing in each UNHCR operation in the field, the High Commissioner should:**

(a) **Ensure that there are no undue delays in the process of registration or re-registration of refugees in order to establish as accurately as possible the number of beneficiaries to whom assistance is provided;**

(b) **Submit to the Executive Committee, by no later than its 57th session, information indicating the extent to which established international standards for the provision of assistance to refugees are being met by region and programme, and propose options/scenarios for improving the situation, where required, in order to bring such assistance in line with international standards.**

33. UNHCR agrees with the recommendation. UNHCR's recent efforts to improve registration through Project Profile are well documented. The recommendations on registration and assistance are ambitious and would be difficult to meet by the 56th meeting of the Executive Committee. UNHCR agrees on the importance of credible registration to ensure food provision to refugees but also emphasizes the broader protection, assistance and management benefits of registration. Progress has been made in developing a set of core standards and indicators for use in UNHCR operations, and the comprehensive set of indicator data already received for camps through the Camp Indicator Report, including for camps in the United Republic of Tanzania.

34. **Recommendation 14. Bearing in mind the provision of General Assembly resolution 58/153 calling for the integration of humanitarian and development needs in the common country assessment process, the High Commissioner should ensure that, as appropriate, programme goals and objectives included in the Country Operations Plans establish clear linkages with the related United Nations Development Assistance Framework/Country Cooperation Framework (UNDAF/CCF) exercises for the concerned refugee host countries.**

35. The recommendation is accepted. It was as a result of UNHCR's 2004 process, as reflected in the report (A/58/410) that resolution 58/153 was adopted by the General Assembly. The Office has every intention of following through with this initiative. The headquarters review's work on resource allocation processes emphasizes the need for UNHCR offices to work closely with United Nations country teams and other partners in establishing and meeting the needs of refugees in a given operation.

36. **Recommendation 15. In the framework of his focus on durable solutions concerning refugees, the High Commissioner should:**

(a) **Instruct UNHCR offices at the field level to pursue more vigorously, in liaison with the United Nations country teams, their efforts to collate and disseminate in the official and/or local languages of host countries as appropriate, the information on bilateral and multilateral projects, initiatives and other measures taken by various actors to alleviate or redress the impact of refugees on local host communities, as well as to highlight the potential contribution of refugees as agents for development of the host country;**

(b) **Further review the resettlement opportunities offered by developing countries on the basis of lessons drawn from past experiences and submit action-oriented proposals to the Executive Committee and to the General Assembly, in order to take full advantage of such opportunities.**

37. UNHCR welcomes this as a very valuable recommendation. It relates to work already being carried out by the High Commissioner's Convention Plus initiative. UNHCR discusses activities and developments in these areas through the High Commissioner's Forum. With regard to recommendation 15 (b), UNHCR is committed to expanding the base of resettlement countries and regularly reports on developments in this area to the Standing Committee.